

HB0263S01 compared with HB0263

~~{deleted text}~~ shows text that was in HB0263 but was deleted in HB0263S01.

inserted text shows text that was not in HB0263 but was inserted into HB0263S01.

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Representative Jim Nielson proposes the following substitute bill:

USE OF BUSINESS NAMES

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jim Nielson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies ~~{provisions related to}~~ the ~~{name under which a person conducts business}~~ Registration and Protection of Trademarks and Service Marks Act.

Highlighted Provisions:

This bill:

- ~~{~~ → defines terms;
- makes registration of a name a ~~{material fact in an action regarding the use of a business name}~~;
- ~~provides for evidence of registration by certified copy}~~ factor when weighing evidence to determine first use of a mark; and
- makes technical changes.

Money Appropriated in this Bill:

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None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

~~{42-2-9}~~ 70-3a-103, as last amended by Laws of Utah ~~{2002}~~ 2008, Chapter ~~{318}~~ 258

Be it enacted by the Legislature of the state of Utah:

Section 1. Section ~~{42-2-9}~~ 70-3a-103 is amended to read:

~~{42-2-9. Corporate names, limited liability company names, and trademark, service mark, and trade name rights not affected -- Registration material fact in court actions.~~

~~—— (1) This chapter does not affect or apply to [any] a corporation organized under the laws of any state if it does business under its true corporate name.~~

~~—— (2) (a) This chapter does not affect the statutory or common law trademark, service mark, or trade name rights granted by state or federal statute.~~

~~—— (b) An act listed in Subsection (2)(c) of itself does not authorize the use in this state of an assumed name in violation of the rights of another as established under:~~

~~—— (i) this chapter;~~

~~—— (ii) Title 70, Chapter 3a, Registration and Protection of Trademarks and Service Marks Act;~~

~~—— (iii) the state law relating to names of corporations, partnerships, and other legal business entities;~~

~~—— (iv) the federal Trademark Act of 1946, 15 U.S.C. [Section] Sec. 1051 et seq.; or~~

~~—— (v) the common law, including rights in a trade name.~~

~~(c) Subsection (2)(b) applies to:~~

~~(i) a filing} 70-3a-103. Definitions -- Use -- Service marks.~~

(1) As used in this chapter:

(a) "Abandoned mark" means a mark whose:

(i) use has been discontinued with no intent to resume use; or

(ii) significance as a mark has been lost due to any course of conduct of the owner.

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including acts of omission or commission.

(b) "Applicant" means:

(i) the person filing an application for registration of a mark under this chapter; and

(ii) ~~{an approval by}~~ a legal representative, successor, or assign of a person described in

Subsection (1)(b)(i).

(c) "Dilution" means the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of:

(i) competition between the owner of the famous mark and another person; or

(ii) the likelihood of:

(A) confusion;

(B) mistake; or

(C) deception.

(d) "Division" means the Division of Corporations and Commercial Code ~~{pursuant to this chapter; or~~

~~—— (iii) the use of an assumed name;~~

~~—— (3) This chapter does not affect or apply to [any] a limited liability company doing business in this state under its true name;~~

~~—— (4) (a) As used in this Subsection (4), "filer" means a person who:~~

~~—— (i) registers a name with the Division of Corporations and Commercial Code; and~~

~~—— (ii) files an action in a court of competent jurisdiction alleging that another person is violating a law } within the Department of Commerce.~~

(e) "Mark" means any trademark or service mark entitled to registration under this chapter whether or not the trademark or service mark is registered.

(f) "Registrant" means:

(i) the person to whom the registration of a mark under this chapter is issued; and

(ii) a legal representative, successor, or assign of a person described in Subsection

~~(~~{2}~~1)(~~{b}~~(i), (ii), (iii), or (v), by use of a name;~~

~~—— (~~{b}~~f)(i).~~

(g) (i) If the conditions of Subsection (1)(g)(ii) are met, "service mark" means:

(A) a word, term, name, symbol, design, or device; or

(B) any combination of words, terms, names, symbols, designs, or devices.

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(ii) The mark described in Subsection (1)(g)(i) is a service mark only if it is used by a person:

(A) to identify and distinguish the services of one person from the services of others, including a unique service; and

(B) to indicate the source of the services, even if that source is unknown.

(h) (i) If the conditions of Subsection (1)(h)(ii) are met, "trademark" means:

(A) a word, term, name, symbol, design, or device; or

(B) any combination of words, terms, names, symbols, designs, or devices.

(ii) The mark described in Subsection (1)(h)(i) is a trademark only if it is used by a person:

(A) to identify and distinguish the goods of that person from those manufactured or sold by others, including a unique product; and

(B) to indicate the source of the goods, even if that source is unknown.

(i) "Trade name" means any name used by a person to identify a business or vocation of that person.

(j) "Use" means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.

(2) For the purposes of this chapter, a mark is considered to be in use:

(a) on goods:

(i) when the mark is placed:

(A) in any manner on the goods or other containers;

(B) in any manner on displays associated with the goods or other containers;

(C) on the tags or labels affixed to the goods or other containers; or

(D) if the nature of the goods makes the placements referred to in Subsections

(2)(a)(i)(A) through (C) impracticable, on documents associated with the goods or the sale of the goods; and

(ii) the goods are sold or transported in commerce in this state; and

(b) on services:

(i) when it is used or displayed in the sale or advertising of services; and

(ii) when the services are rendered in this state.

(3) For purposes of Subsection (1)(a):

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(a) intent not to resume may be inferred from circumstances; and

(b) nonuse for two consecutive years is prima facie evidence of abandonment.

(4) Notwithstanding ~~the other provisions of this section, if a filer files an action;~~ Subsection (1)(g), the following may be registered as service marks notwithstanding that they may advertise the goods of the sponsor:

(a) titles;

(b) character names used by a person; and

(c) other distinctive features of:

(i) a radio program;

(ii) a television program; or

(iii) a program similar to a program described in Subsection (4)(~~a~~), the court shall consider the filer's registration of the name as a material fact in favor of the filer if the filer registers the name before the person against whom the filer files the action files the name.

~~— (c) A certified copy of the registration of a name with the Division of Corporations and Commercial Code is evidence of when a~~ c)(i) or (ii).

(5) For purposes of Subsection (2), the date a business name is registered with the ~~Division of Corporations and Commercial Code.~~

Legislative Review Note

as of 1-13-14 2:14 PM

~~Office of Legislative Research and General Counsel~~ division may be considered as a factor when weighing evidence to determine first use of a mark consisting of the business name, except that the date of registration of the business name may not be determinative without additional evidence corroborating the date of first use.